

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES - DEALERS', MANUFACTURERS', AND RENTAL LICENSES

Introduced By: Senators Zurier, Picard, and F. Lombardi

Date Introduced: March 23, 2023

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 31-5-14 of the General Laws in Chapter 31-5 entitled "Dealers',
2 Manufacturers', and Rental Licenses" is hereby amended to read as follows:

3 **31-5-14. Penalties for violations by dealers. Penalties and further relief for violations**
4 **by dealers.**

5 (a) Upon the complaint of the department, any person violating any of the provisions of §§
6 31-5-1 — 31-5-20, shall, upon conviction for the first offense, be punished by a fine of not less
7 than fifty dollars (\$50.00) nor more than one hundred dollars (\$100), or by imprisonment for not
8 less than ten (10) days nor more than thirty (30) days, or by both a fine and imprisonment. For a
9 second or subsequent conviction, that person shall be fined not less than one hundred dollars (\$100)
10 nor more than one thousand dollars (\$1,000), or by imprisonment for not less than thirty (30) days
11 nor more than six (6) months, or by both a fine and imprisonment.

12 (b) If the department shall have reason to believe that any person, firm, corporation, or
13 association is violating the provisions of this chapter, the department may issue its order to the
14 person, firm, corporation, or association commanding them to appear before the department, at a
15 hearing to be held not sooner than ten (10) days nor later than twenty (20) days after issuance of
16 the order, to show cause why the department should not issue an order to the person to cease and
17 desist from violating the provisions of this chapter. The order to show cause may be served on any
18 person, firm, corporation, or association named in it by any person in the same manner that a

1 summons in a civil action may be served, or by mailing a copy of the order to the person at any
2 address at which he or she has done business or at which he or she lives. If at the hearing the
3 department shall be satisfied that the person is in fact violating any provision of this chapter, then
4 the department shall order the person in writing to cease and desist from the violation. All these
5 hearings shall be conducted in accordance with chapter 35 of title 42. If the person shall
6 subsequently fail to comply with the order of the department, the superior court for Providence
7 County shall have jurisdiction upon the complaint of the department to restrain and enjoin the
8 person from violating this chapter.

9 (c) In addition to the fines described in subsection (a) of this section, the department may
10 impose fines on holders of any license issued by the department pursuant to this chapter of not less
11 than fifty dollars (\$50.00) nor more than one thousand dollars (\$1,000), for violations of any of the
12 provisions of §§ 31-5-1 — 31-5-20 and §§ 31-5-33 — 31-5-39, or for violation of any rules or
13 regulations promulgated pursuant to § 31-5-2.

14 (d) In addition to the imposition of fines as described in subsection (a) and (c) of this
15 section, the department may order relief on holders of any license issued by the department pursuant
16 to this chapter to any customer or vehicle owner harmed by violations of any of the provisions of
17 §§ 31-5-1 — 31-5-20, and §§ 31-5-33 — 31-5-39, or for violation of any rules or regulations
18 promulgated pursuant to § 31-5-2, including, but not limited to:

19 (1) Restitution;

20 (2) Incidental and consequential damages;

21 (3) Exemplary damages not greater than twice the amount of restitution and awarded
22 damages; and

23 (4) Reasonable attorneys' fees.

24 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would provide additional relief for customers harmed by violations committed by
2 motor vehicle dealers which relief would include restitution, incidental and consequential damages,
3 exemplary damages and reasonable attorneys' fees.

4 This act would take effect upon passage.

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